

# Children's Health Insurance Program and Patient Volume

## For Patient Volume Based on Medicaid Encounters

### Idaho Medicaid Electronic Health Record (EHR) Incentive Program

Created June 2012

*Note to Providers: There is a good possibility that business processes will change after the program is launched. Potential efficiencies as well as potential problems are likely to become evident. This paper describes the business as of spring 2012. Please be sure to return to the information on the website and in the provider handbook often for updates. Creation dates will be noted on each paper.*

#### **Introduction**

The Medicaid EHR Incentive Program requires eligible providers to meet a certain patient volume threshold based on encounters with Medicaid participants (unless practicing predominantly at an FQHC or RHC and using a 'needy' patient volume approach). Encounters with Medicaid participants receiving services funded by Title 19 contribute to this patient volume threshold. Encounters with Medicaid participants receiving services funded by Title 21, often referred to as the Children's Health Insurance Program or CHIP, can NOT be included in the patient volume calculation. Beneficiaries and providers have no clear indication which program is funding the participant's services. As a result, providers are unable to determine their eligible Medicaid patient volume for the EHR Incentive Program without relying on guidance from Idaho Medicaid's EHR program staff.

#### **Idaho's Approach to Address CHIP Encounters**

Idaho Medicaid proposes two unique strategies for helping providers determine their CHIP encounters, one for eligible hospitals and one for eligible professionals.

#### **Eligible Hospitals**

Hospital CHIP encounters will be calculated by Medicaid for each hospital soon after that hospital has registered at the Medicare Medicaid EHR Incentive Program Registration and Attestation System (often referred to as the CMS R&A System). When the state receives notice from the CMS R&A System that a hospital has registered, Idaho Medicaid will contact that hospital using the contact information provided on the registration. The hospital representative will be asked to identify the start date for the 90 day period (from the previous federal fiscal year) to be used to meet the 10% Medicaid patient volume threshold.

Medicaid staff will use that start date and run a report to determine how many in-patient and emergency room patient discharges at that hospital were with Title 19 Medicaid participants and how many discharges were with Title 21 CHIP participants during that 90 day period. Program staff will provide that CHIP, Non-CHIP encounter data to the hospital contact. The hospital is expected to review those numbers and if there are any questions or concerns, to contact the Medicaid EHR Incentive Program helpdesk. The hospital is expected to use the information provided when completing the application/attestation to Medicaid.

## **Eligible Professionals**

Idaho Medicaid has received permission from CMS to use the following CHIP proxy strategy to help eligible professionals determine their Medicaid patient volume. Idaho's payment system differentiates the paying source using detailed codes for eligibility that are traceable to the claim. Using this information, Idaho Medicaid has identified a statewide average proportion for CHIP encounters for professionals, called a CHIP proxy. The CHIP proxy is currently 7%. This is based on an analysis of three years of claims history. This percent tells you the statewide average of CHIP-to-total Medicaid encounters. Eligible professionals must identify their total number of Medicaid encounters and reduce that by the CHIP proxy percent when applying for incentives.

Using this method will benefit some professionals whose actual CHIP patient encounters are higher than the statewide average, and may disadvantage those whose CHIP volume is lower than average. Idaho Medicaid wants to work with professionals to ensure that eligible professionals are not falsely denied eligibility based on this strategy. Professionals can ask the state to give them the actual number of Medicaid and CHIP encounters for the 90-day period of their choosing **if** they are unable to meet the 30% patient volume with the CHIP proxy percent reduction and believe that they could meet it otherwise. Medicaid staff will get the actual number and give it to the professional making the request. If you have questions, please contact the Medicaid EHR Incentive Program help desk staff for more information about this process.

## **Eligible Professional CHIP Proxy Impact on Auditing**

For eligible professionals who are audited and have used the CHIP proxy, the auditor will assess whether the total Idaho Medicaid encounters were accurately represented and will not attempt to evaluate a provider's actual Non-CHIP Medicaid encounters. Thus, there would be no penalty for providers who have an actual CHIP patient volume higher than the statewide proxy. For eligible professionals who request their specific data, the audit will assess whether the Medicaid encounters were accurately represented given the information provided by the state.

## **Chip Proxy Calculations**

Idaho proposes to use one proxy of 7% to apply to eligible professionals. Because Idaho expects many eligible professionals to use a group patient volume calculation, which includes all billing and ancillary providers, Idaho used all provider claims except hospitals in the calculation of the statewide CHIP proportion of Medicaid encounters.

For example:

- Provider A (EP) has 500 Idaho Medicaid patient encounters and 1200 total patient encounters.
- Idaho has an average of 7% CHIP-to-total Medicaid encounters.
- Provider A must reduce its Medicaid encounters by 7% and attest to the resulting number: 465, which gives that provider a 39% Medicaid patient encounter rate.

### **Additional Information**

For questions about this or other issues concerning the Idaho EHR Incentive Program, please go to [www.MedicaidEHR.dhw.idaho.gov](http://www.MedicaidEHR.dhw.idaho.gov). There you will find an “Ask the Program” feature that will allow you to send questions to program staff. You can also call the Idaho Medicaid EHR Program Helpdesk at (208) 332-7989.